

Terms and Conditions of Deposit Accounts

This brochure contains the rules which govern, where appropriate, your deposit account with us. Unless it would be inconsistent to do so, words and phrases used here should be construed so that the singular includes the plural and the plural includes the singular. Elsewhere here, you will find a schedule of the applicable interest rates, methods, qualifying balances and charges. Please read this brochure carefully; continued use of your account with us after receipt of this brochure means you agree to these rules, you agree to pay the fees listed, and you give us the right to collect the fees, as earned, directly from the account balance. If you have any questions, please call us.

Much of our relationship with our deposit customers is regulated by state and federal law, especially the law relating to negotiable instruments, the law regulating the methods of transferring property upon death and the rights of surviving spouses and dependents, the law pertaining to estate and other succession taxes, the law regarding electronic funds transfer, and the law regarding the availability of deposited funds, privacy of information and truth-in-savings disclosure. This body of law is too large and complex to be reproduced here.

The purpose of this information is to:

1. Summarize the rules applicable to the more common transactions and events.
2. Establish rules to govern transactions or circumstances which the law does not regulate; and
3. Establish rules for certain events or transactions which the law already regulates but permits variation by agreement.
4. Make required disclosure.

We may permit some variations from this standard agreement, but any such variation must be agreed to in writing either on our signature card for the account or in some other written form.

As used here, the word "we" means the financial institution and the word "you" means the account holder.

Please refer to the backside of your signature card for a full explanation of the terms of your account agreement.

Liability - each of you agrees, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges that may be imposed. You authorize us to deduct these charges as accrued directly from the account balance. You also agree to

pay additional reasonable charges we may impose for services you request which are not contemplated by this agreement. Each of you also agrees to be jointly and severally liable for any account deficit resulting from charges or overdrafts, we may pay as a courtesy, including by using Overdraft Privilege, whether caused by you or another authorized to withdraw from this account, and the costs we incur to collect the deficit including, to the extent permitted by law, our reasonable attorneys' fees.

Discretionary Payment of Overdrafts - The Bank may, in its discretion, pay checks or items drawn against an insufficient balance as a courtesy, included by using Overdraft Privilege. This will result in a **\$36.00** Overdraft/NSF fee for each item paid, and an overdrawn balance in your account, which you are required to deposit to bring the account positive. Failure to bring the account positive within 30 days or failure to respond to the Bank's request that a deposit be made, may be cause for the Bank to decline to overdraw the account in the future.

A fee for paying an item, which creates an overdraft, may be imposed for transactions created by check, in-person withdrawal, ATM withdrawal (if you have agreed by opting in), POS transaction (if you have agreed by opting in) or other electronic means.

Whether an overdraft will be paid is discretionary and we reserve the right not to pay. For example, we typically do not pay an overdraft, if the account is not in good standing or you are not making regular deposits or you have too many overdrafts, or if you have not opted in to ATM and one time debit card transactions.

Payees or merchants may present an item multiple times for payment if the initial or a subsequent presentment is unpaid due to insufficient funds or other reason (re-presentment). Each presentment is considered an item and will be charged accordingly. For these purposes, an item is considered to be a check, pre-authorized draft, ATM or Debit card transaction, ACH (electronic) transaction or other withdrawal, transfer, payment or debit. As a result, we will charge you a Paid Overdraft Item Fee or NSF Return Item Fee each time an item is presented which would overdraw or further overdraw your account if the item were paid, or if we decline to pay the item and return the item unpaid.

Unclaimed Funds/Dormant Accounts - Any money or right to money you have in this account will become unclaimed funds under Ohio Revised Code Chapter 169 if, according to our records, for five years you do not make a deposit or withdrawal, correspond with us regarding this account, transact business with us or otherwise indicate an interest in or knowledge of the funds. This law includes certificates of deposit after the initial renewal. A Savings account becomes dormant after a period of two years and checking in one year, and will be subject to a periodic fee after that time.

Transferring Ownership - Your account is transferrable only with our consent. We will consent where law permits, if you provide us with all requested information and sign a form we provide or approve. If there are two or more of you we may require all of you to sign.

Electronic Funds Transfers: Your Rights And Responsibilities (Reg E)

The Farmers National Bank Of Canfield Electronic Transaction Department
20 South Broad Street, P.O. Box 555 Canfield, Ohio 44406-0555

Phone 330/702-8430 1-888-988-3276

Business Days Are: Monday through Friday 9am to 6pm excluding Federal Holidays and Saturdays and Sundays.

Types and Limitations of Transfers' Account Access - You may access your account with a VISA Debit Card or ATM Card and Personal Identification Number. Types and Limitations of Transfers

- Withdraw cash from checking or savings accounts.
- Make deposits to checking or savings accounts.
- Withdrawals are limited to \$300.00 each day for ATM withdrawals.

Refer to your ATM or VISA Debit Card Disclosure and Cardholder Agreement for all details.

You may access your account via Internet or Telephone Banking @ Farmers with your P.I.N, or you may access your account by telephone using your Telephone Transfer Identification Number to:

- Make deposits to checking or savings accounts.
- Transfer funds between checking and savings accounts.
- Pay bills directly from your checking or savings accounts in amounts and on the day you request.
- Pay loan payments to Farmers or other financial institutions.

Preauthorized Transfers - We are equipped to:

- Accept certain direct deposits to your checking account.
- Pay certain recurring bills from your checking account.
- Accept certain direct deposits to your savings account.
- Pay certain recurring bills from your savings account.
- Transfer funds between your accounts.
- Pay loan payments to Farmers or other financial institutions.
- Accept Electronic Check Conversions (ECK)

Limitations on Frequency of Transfers - Transfers from a money market deposit account or statement savings account to another account or to third

parties by preauthorized, ECK, automatic, Internet and telephone transfer, check, debit card or similar order to third parties are limited to six per month or statement cycle.

Charges for Electronic Funds Transfers

- We do not charge for direct deposits to any type of account.
- We do not charge for preauthorized withdrawals from any type of account.
- We do not charge for Electronic Check Conversions (ECK) from any type of account
- We charge for ATM Transaction(s) at terminals we do not own.
- Refer to ATM or Debit Card Disclosure and Cardholder Agreement for fees.
- We do not charge for PartnerCare Bill payment.
- We charge for Internet Corporate Cash Management Services as stated in that agreement.

Currently a 1% fee is assessed on International Transactions when a currency conversion occurs. Fee is unchanged. Visa will impose a 0.8% fee on foreign transactions where a currency conversion is not performed.

SURCHARGE - If you initiate a transaction or balance inquiry at an ATM we do not operate, a fee may be imposed by the ATM operator, and /or a fee may be imposed by the network used to do the transaction.

RIGHT TO DOCUMENTATION

Terminal Transfers - You can get a receipt at the time you make any transfer to or from your account using one of our automated teller machines.

Direct Deposits - If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at the telephone number listed here to find out whether or not the deposit has been made. If the only possible transfers to or from your account are direct deposits, you will get a quarterly statement from us.

Periodic Statements - You will get a monthly account statement from us for your Checking and Money Market accounts. You will get a monthly account statement on your Statement Savings Account from us unless there are no transfers in a particular month. In any case, you will get a statement at least

quarterly.

STOP PAYMENT PROCEDURES AND NOTICE OF VARYING AMOUNTS

Right to Stop Payment and Procedure for Doing So - If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how: Call or write us at the telephone number or address listed here in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after your call. We will charge **\$36.00** for each stop payment order you give us.

Notice of Varying Amounts - If preauthorized periodic payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

Liability for Failure to Stop Payment of Preauthorized Transfer - If you order us to stop one of these payments three business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

OUR LIABILITY

Liability for Failure to Make Transfers. If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions, we will NOT be liable, for instance:

1. If, through no fault of ours, you do not have enough money in your account to make the transfer, or if your account has been closed or is not in good standing.
2. If the transfer would go over the credit limit on your overdraft line or exceed your Overdraft Privilege.
3. If the automated teller machine where you are making the transfer does not have enough cash.
4. If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
5. If any necessary authorizations for completing transfers have been revoked or if incomplete or inaccurate information, necessary to the

transfer, is forwarded to us on a preauthorized electronic transfer.

6. If you have not opted in to ATM and one time debit card transactions for which sufficient funds are not present.
7. If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions we have taken.
8. There may be other exceptions in our agreement with you.

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES

We will disclose information to third parties about your account or the transfers you make:

1. Where it is necessary for completing transfers, or to verify the existence and condition of your account for a third party such as a third party such as a merchant or creditor;
2. to consumer reporting agencies and other reputable information reporting agencies;
3. pursuant to court order, subpoena legal process or government agency investigation.
4. in order to provide a service you request, i.e., ATM card,
5. or if you give us written permission, fax or electronic means we approve.
6. or to protect or enforce our legal rights

UNAUTHORIZED TRANSFERS

Tell us AT ONCE if you believe your card and/or PIN has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all of the money in your account (plus your maximum overdraft line of credit). If you tell us within two business days, you can lose no more than \$50 if someone used your card without your permission.

If you do not tell us within two business days after you learn of the loss or theft of your card and/or PIN, and we can prove we could have stopped someone from using your card and/or PIN, without your permission if you had told us, you can lose as much as \$500.

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or hospital stay) kept you from telling us, we will extend the time period.

If you believe your card and/or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write us at the telephone number or address listed here.

ERROR RESOLUTION

In case of errors or questions about your electronic transfers, call or write us at the telephone number or address listed here, as soon as you can, if you think your statement of receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we send the FIRST statement on which the problem or error appeared.

Tell us your name and account number (if any)

Describe the error on the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.

Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will tell you the results of our investigation within 10 business days (20 business days if the transfer involved a new account) or after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a point of sale transaction, new account or a foreign initiated transfer) to investigate your complaint or question. If we decide to do this we will re-credit your account within 10 business days (20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation (additional documentation may be required). If we ask you to put your complaint or questions in writing and we do not receive it within 10 business days, we may not re-credit your account.

If we decide that there was no error, we will send you a written explanation within three business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

If we decide there was an error, we will correct the error within one business day after the decision and notify you.

FUNDS AVAILABILITY (Reg CC) DISCLOSURE

Our policy is to make funds from your deposits to a transaction account available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available to you on the first business day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. When you make a deposit during a business day, we will consider that day to be the day of your deposit.

Otherwise, we will consider that the deposit was made on the next business day we are open.

LONGER DELAYS MAY APPLY

In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$225 of your deposits will be available on the first business day after we receive your deposit.

If we are not going to make all of the funds from your deposit available on the first business day after we receive your deposit, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

Special rules apply to payable-through-checks/drafts and you should ask about the availability of funds on these items.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525.00 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly, or exceeded your Overdraft Privilege in the last six months.
- There is an emergency, such as failure of communication or computer

equipment, or natural disaster.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

HOLD ON FUNDS – OTHER ACCOUNTS

If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check you deposited.

Special rules apply to payable-through-checks/drafts and you should ask about the availability of funds on these items.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525.00 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly, or exceeded your Overdraft Privilege in the last six months.
- There is an emergency, such as failure of communication or computer equipment, or natural disaster.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

HOLD ON FUNDS - CHECK CASHING

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we are not going to make all of the funds from your deposit available on the first business day after we receive your deposit, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If

your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of communication or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

Special rules apply to payable-through-checks/drafts and you should ask about the availability of funds on these items.

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new customer, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits into your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,525 will be available on the seventh business day after the day of your deposit. If the deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be made available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the seventh business day after the day of your deposit. Overdraft Privilege will not be available.

DEPOSITS AT AUTOMATED TELLER MACHINES

Funds from deposits (other than cash or checks requiring next day availability) at automated teller machines (ATMs) we do not own or operate may not be available until the fifth business day after the day of deposit. This rule does not apply at ATMs that we own or operate (proprietary).

Deposits made at ATMs we do own and operate are governed by the same availability rules as those made at our staffed teller locations. A list of our ATMs is provided to all customers.

TRUTH IN SAVINGS (Reg DD) DISCLOSURE INTEREST RATE INFORMATION

If the account you open is an interest bearing account, the following disclosures pertain to that account:

Variable Interest Rate Disclosure - All accounts referred to in this disclosure are variable rate accounts. See current rates and yields elsewhere on this site. These rates and annual percentage yields (APY's) may change anytime. All interest rates are subject to change at Bank Management's discretion, dependent on market conditions.

Daily Balance Computation Method - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the balance in the account each day.

Balance Required to Earn Interest - Interest will be paid on all balances unless otherwise specified.

Compounding and Crediting Frequency - Interest will be compounded every month and credited to your account every month, unless otherwise stated in account information.

Accrual of Interest - Interest begins to accrue on the business day you deposit cash and noncash items (i.e., checks).

The daily cut-off time for processing transactions is 6:00 p.m. If you make a deposit at an ATM, the cut-off time is 3:00 p.m.

Accounts Closed During Interest Cycle. Accrued interest will be paid at the time an account is closed. If the account is closed during the first 180 days, a **\$35.00** charged is assessed.

We reserve the right to require at least seven days' written notice before any withdrawal or transfer.